

(ii) The scope of the plan should reflect the amount requested in the application, the risks involved with developing and operating the project, and the overall cost of the project. The plan should describe any coordination with a local, regional or state development organization.

§ 1703.36 Section of the application covering the project description.

In general, this section should be more detailed the larger the project for which the borrower is requesting funding. The section of the application on the “project description” must include:

(a) A description of the proposed project including the nature of the project, the location of the project, organizations that will be involved in the project and the primary beneficiaries of the project. Also include in this subsection a statement describing whether the borrower has or will have a direct or indirect (through a subsidiary or affiliated organization) ownership or similar beneficial interest in the facilities to be constructed or in the entity that will occupy or utilize these facilities. In addition, explain whether it seems likely that the proposed project will be undertaken or completed in the absence of an RUS zero-interest loan or grant;

(b) A separate paragraph entitled “Uses of RUS Funds and Total Project Costs”, that includes a breakdown of the specific uses of RUS funds and a breakdown of the specific uses of all funds necessary to ensure completion of the project. Project costs should be limited to the amount to be spent over the 2-year period after receiving RUS funds;

(c) For a project that involves the establishment of a new venture, such as a rural business incubator or a similar start-up venture, a discussion of how the costs of establishing, organizing and arranging financing for the venture will be paid, how start-up costs incurred after the venture has been established will be paid, the expected sources of revenue necessary to sustain the project and revenue and expense projections for the first 3 years of the project;

(d) If the borrower will provide a pass-through-loan or pass-through-

grant to another entity, outline the terms and conditions that the borrower intends to place on the recipient of the RUS funds including the security arrangements and collateral on a zero-interest loan. The discussion of proposed security arrangements and collateral should reflect the amount requested in the application, the risks involved with developing and operating the project, and the overall cost of the project;

(e) For pass-through-loans and pass-through-grants, a description of the ultimate recipient, including the form of organization and ownership (i.e., corporation, nonprofit corporation, cooperative, partnership, sole proprietor), the owner(s) and the chief officers;

(f) If the project involves construction, a brief description of the construction necessary to make the project operational and the organization involved with the project that will be responsible for building the project facilities or having them built;

(g) A discussion of the manner in which the borrower intends to monitor the zero-interest loan and/or grant proceeds to ensure that they are used only for approved purposes; and

(h) If applicable, a discussion on any potential conflict of interest or the appearance of a conflict of interest, a clarification of any aspect of the project with respect to the restriction that it must not result primarily in the transfer of any existing employment or business activity from one area to another or a clarification of any aspect of the project with respect to limitations in §§ 1703.20 and 1703.21.

§ 1703.37 Section of the application covering the environmental impact of the project.

(a) For a proposed project that only involves internal modifications or equipment additions to buildings or other structures (for example; relocating interior walls or adding computer facilities) and/or external changes or additions to existing buildings, structures or facilities requiring physical disturbance of less than 0.4 hectare (0.99 acre), the environmental information normally required is:

(1) A copy of a flood hazard zone map from the Federal Emergency Management Agency with the location of the project site marked;

(2) A statement of whether or not the proposed project will be located within an area protected under the Coastal Barrier Resources Act (16 U.S.C. 3501 *et seq.*);

(3) A description of the internal modifications or equipment additions, and the external changes or additions to existing buildings, structures or facilities being proposed, the size of the site in hectares, and the general nature of the proposed use of the facilities once the project is completed, including any hazardous materials to be used, created or discharged, any substantial amount of air emissions, wastewater discharge, or solid waste that will be generated; and

(4) A statement of whether the project site contains or is near a property listed or eligible for listing in the National Register of Historic Places (16 U.S.C. 470).

(b) For all other proposed projects include:

(1) A copy of a flood hazard zone map from the Federal Emergency Management Agency with the location of the project site marked (42 U.S.C. 4001 *et seq.*);

(2) A diagram showing the general layout of the proposed facilities on the project site;

(3) The size of the project site in hectares;

(4) A map (preferably a U.S. Geological Survey map) of the project area indicating the boundaries of the project;

(5) A statement of whether or not the project will be located within an area protected under the Coastal Barrier Resources Act;

(6) The amount of property to be cleared, excavated, fenced or otherwise disturbed by the project;

(7) The current land use and zoning of the project site and any vegetation on the project site;

(8) A description of buildings or other major structures, including dimensions, to be constructed or modified;

(9) A statement of whether the presence of wetlands or existing agricultural operations are present at the project site (7 CFR part 1794); whether

properties listed or eligible for listing in the National Register of Historic Places are on or near the project site; whether threatened or endangered species or critical habitat are on or near the project site (16 U.S.C. 1531 *et seq.*);

(10) The general nature of the proposed use of the facilities once the project is completed, including any hazardous materials to be used, created or discharged, any substantial amount of air emissions, wastewater discharge, or solid waste that will be generated (7 CFR part 1794); and

(11) A copy of any environmental review, study, assessment, report or other document that has been prepared in connection with obtaining permits, approvals or other financing for the proposed project from state, local or other Federal agencies. Such material, to the extent relevant, may be used to fulfill the requirements of this section.

(c) The Administrator may request additional environmental information in specific cases to satisfy § 1703.32.

§§ 1703.38–1703.44 [Reserved]

§ 1703.45 Review and analysis of applications.

Completed applications received at RUS by the 14th day of the month will be considered at the first selection date which occurs at least 40 days after the application was received. Completed applications received at RUS after the 14th day of a month will be either be held for the next application period or returned to the borrower, at the borrower's option. The review period of at least 40 days should allow sufficient time for state and local governments to review the proposed projects under the intergovernmental review process, as set forth in 7 CFR part 3015, and to provide sufficient time for the Administrator to fully review and analyze these applications. In the event state and local government review has not been completed, the Administrator's approval may be contingent upon the review being satisfactorily documented. The Administrator reserves the discretion to consider applications outside the normal selection period.